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Chief, Economic Research Area, ORR

24 July 1959

Chief, Industrial Division, ORR

Proposal for Pre-Publication EIC Subcommittee Review of
CIA/ORR/ERA Research Papers

REF : 14 July 1959 Memo from Executive Secretary, EIC to Chief, ERU

Responding to your request of 21 July for comments on subject proposal, we submit the following:

a. Paragraph 3.a.(7) of DCID No. 3/1 - Production and Coordination of Foreign Economic Intelligence - in defining the responsibilities of the EIC for the coordination of economic intelligence, cites two instances which are pertinent to referenced memo, viz., (1) "Produce, as appropriate, inter-departmental economic intelligence on subjects which transcend the competency of a single department or agency" and "Arrange, as appropriate, for the coordination of individual IAC agency reports deemed of sufficient national security importance to warrant the solicitation of concurrences from the representatives of other IAC agencies".

b. We agree wholeheartedly with these provisions and see the applicability of the first in the case of Project No. 35.2750 - Estimates of Ship Construction in the USSR for 1958, 1959 and 1960 - for this report clearly involves the competency of more than a single department or agency. Also in the case of the biweekly reports - Sino-Soviet Bloc Economic Activities in Underdeveloped Areas - which involve an area of common or overlapping interest.

c. However, in cases where little or no competency exists in other agencies outside ORR, we fail to see what could be gained by submitting ERA research papers prior to publication to EIC subcommittee review. Indeed, to do so would be to face the possibility of an approval which would mean little, or a dissent which would obstruct "progress". Furthermore, would approval of an ORR report by EIC subcommittees, in cases where no other agency or office is competent to deal with the subject under consideration, make the report any better? Obviously not. It may make it worse by diluting its strength to meet the objections of offices unfamiliar with the problem. How

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would opposing views be incorporated? By footnotes? Majority rule? If so, would ORR be forced to publish what indeed it may not really agree to? Certainly the publication process, which takes long enough as is, would be slowed down considerably by subcommittee review.

d. With regard to the hope that pre-publication EIC subcommittee review "might entice other EIC agencies to participate in such a program; in particular, it might serve as an opening wedge towards fuller EIC participation in some of State's intelligence reporting activities in non-Bloc areas" (16 June 1959 memo for Chairman, EIC from Executive Secretary, EIC), we in the Industrial Division have more than enough to do to carry out our responsibility for the production of economic intelligence on the Sino-Soviet Bloc. If EIC does not, it obviously is a Staff which has surplus manpower.

e. In sum, we now coordinate as appropriate all papers with those offices or agencies which have substantial interest or competency in the subject under consideration. We can see no gain in submitting all ORR papers to a pre-publication EIC subcommittee review unless, as we have stated above, the subject is one which "transcends the competency of a single department or agency" or is "deemed of sufficient national security importance to warrant the solicitation of concurrences from the representatives of other IAC agencies".

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